

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2886
ANSWERED ON:07.12.2001
PENSION AND PPF
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government have any specific investment plans in respect of Pension Funds and Public Provident Fund;
- (b) if so, the details thereof;
- (b) the profit percentage being earned by the Government from investment of these funds;
- (d) the estimated funds invested by the Government in various securities/PSUs presently; and
- (e) the manner in which the Government propose to recover the invested funds from PSUs and securities in case of their failure ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) According to available information, as of now, there is no separate Pension Fund / Account for Central Government employees except for Railways. As such, pension payments to Government employees are largely made out of current revenues.

The investment of non-government provident funds, superannuation funds and gratuity funds are carried out as per the `Investment Pattern` notified by the Government of India.

The receipts under Public Provident Fund (PPF) Scheme accrue to the National Small Savings Fund in the Public Account of India and the disbursements are also made from this Fund in the Public Account. The net accretions under the Public Provident Fund (PPF) scheme are shared between the Central and the State Governments in the ratio of 20:80. The share of States is meant for financing their plan schemes.

(b) to (e) : As PPF are not further re-invested by the Governments, part (b) to (e) do not arise.